

Inching Towards Inclusivity



A WHITE PAPER ON WHY **DIVERSITY**, **EQUITY**, AND **INCLUSION**
SHOULD BE A BUSINESS IMPERATIVE

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Foreword

Metrics collected from **Forbes on inclusion in organizational culture** indicate that a majority of the corporate diversity programs have not yielded the desired outcomes. The **2017 Atlassian State of Diversity survey** reported that the inherent lack of diversity and inclusion efforts in the industry is evident from the fact that 75 percent of the conventional diversity and inclusion programs have been failing consistently.



Introduction

The fundamental approach to diversity and inclusion needs to see a paradigm shift – where corporate leaders, community organizations, and employees can see tangible impact. This white paper discusses the deficiency in diversity and inclusion efforts, how a shift in mindset can reshape the future of the workplace, and how comprehensive and discerning training programs are critical in creating a cornerstone for a collective understanding of D&I. **Forrester reports that workplace belonging leads to a 56 percent increase in job performance and a 50 percent reduction in turnover.** Equity is another critical ingredient that refers to the institutional policies that support diversity and inclusion in your company. A deep understanding of Diversity, Equity & Inclusion (DE&I) in your organization is imperative for a forward-thinking workforce. Planning your DE&I ecosystem demands that we first reevaluate these terms in the context of understanding how they are distinct and yet, intrinsically interrelated. And how they can be addressed with behavioral changes that are a direct reflection of organizational culture.

DE&I strategy is essentially about how your organizational values carry weight in the state of being diverse. Diversity is commonly known to be attributed to a multicultural workforce shaped by multiple demographics, backgrounds, and ethnicities. However, perspectives such as gender, race, age, sexuality, disability, education, and class are known to better determine the ethos of your business.

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Inclusion, on the other hand, is about giving every employee an opportunity to thrive – with a ‘voice’. Whilst diversity reflects all of our many differences, without inclusion, it is inconsequential. And if diversity is a measure of the organizational composition, inclusion is the measure of how the organization has fostered a culture to reflect its composition. Measuring inclusion requires more than just transcending numbers – pure demographics as a metric of diversity does not address crucial measurements of inclusion such as the feeling of respect or being recognized in the workplace. Inclusion is a practice where employees from diverse backgrounds should have a voice in how organizational culture measures up to feeling respected and included, and how it can be fostered.

Equity is the cognizance of every individual’s uniqueness and needs, and acknowledging the structural imbalances in your organization with tangible and sustainable solutions.

Albeit diversity is a critical first step, inclusion and defining equity in the workplace must be the long-term focus.

Problem Statement

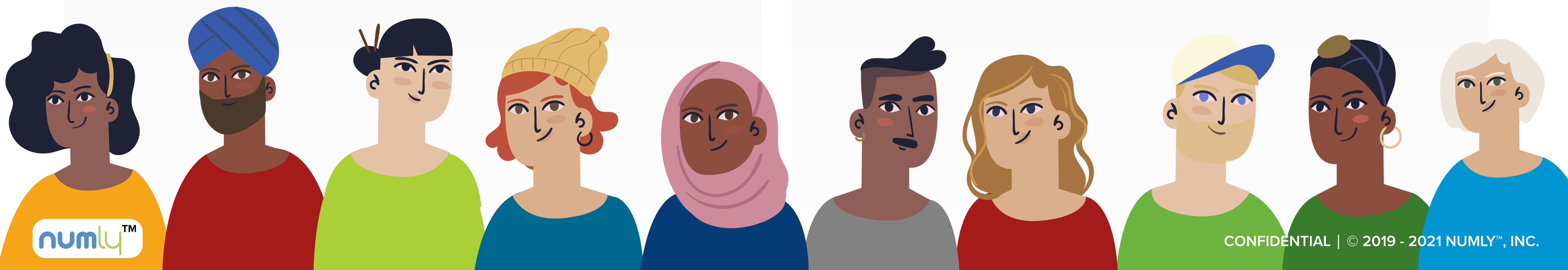
Frank Dobbin – A Sociology professor at Harvard, and Alexandra Kalev – an Associate professor of Sociology at Tel Aviv University are of the opinion that multi-million-dollar investments in diversity programs that are designed to attract and retain a diverse group of employees do not work. **“Despite a few new bells and whistles, courtesy of big data,”** they write, “companies are basically doubling down on the same approaches they’ve used since the 1960s—which often make things worse, not better.”

Delving into three decades of data drawn from over 800 U.S. businesses and numerous interviews with leaders and executives, these professors have debunked the most prevalent training tools and practices that are currently used to promote and protect diversity.

‘Training’ or ‘coaching’ are terms that seem to antagonize employees – partly because organizations regard it as mandatory and remedial.

The efficacy of external coaching and training programs is debatable as there is no perceived long-term impact. And surprisingly, after a short-term retention span, participants are unable to douse their biases. In fact, these programs actually incited biases according to some of the research.

In recent times, diversity initiatives are struggling to make a tangible impact, especially when it comes to transforming the entry-level workforce through development of top talent. We present an analysis of current trends and the application of research in areas such as unconscious bias, color, race, and gender bias - which are major disruptors in diversity.





◎ Unconscious Bias

The existence of unconscious biases has been eminent since World War II times, and people who undergo training do not usually drop their biases. They are known to respond to a questionnaire in the right manner but rarely make a follow-through. However, the tools that organizations employ to promote diversity are viewed as a way to challenge managers, are typically counter-productive and work better in terms of preempting lawsuits by policing leaders' and managers' actions. This extremely ineffective method of eliminating bias due to indiscretion in the system seeks to favor a section of individuals with little or no barriers to opportunity.

Gender Bias


The technology or Defense forces sectors are known to have a disproportionately low representation of women, and unconscious biases such as similarity bias are still overwhelmingly rampant.

The percentage of women hired for leadership positions during the pandemic drastically dropped from 12 percent to 5 percent. Largely, the pandemic has reversed several years of progress towards DE&I in the workplace and is excessively due for course correction in 2021.

IN 2013 WOMEN ARE STILL UNDERREPRESENTED AT THE TOP OF CORPORATIONS

Name Country	Corporate Boards		Executive Committees	
	Percentage Of Total : 2013	vs. 2011	Percentage Of Total : 2013	vs. 2011
Noraw	●●●●●●●●○○○ 34	-1	●●●●●●●●○○○ 14	-1
Sweden	●●●●●●●●○○○ 27	+2	●●●●●●●●○○○ 21	+2
France	●●●●●●●●○○○ 27	+7	●●●●●●●●○○○ 09	+7
Denmark*	●●●●●●●○○○○○ 20	N/A	●●●●●●●○○○○○ 09	N/A
Germany	●●●●●●●○○○○○ 19	+3	●●●●●●●○○○○○ 07	+3
Belgium	●●●●●●○○○○○ 18	+7	●●●●●●●○○○○○ 14	+7
United Kingdom	●●●●●○○○○○○○ 17	+1	●●●●●●●○○○○○ 15	+1
United State	●●●●●○○○○○○○ 16	+1	●●●●●●●○○○○○ 14	+1
Italy	●●●●●○○○○○○○ 15	+10	●●●●●○○○○○○○ 06	+10
China*	●●●●○○○○○○○○○ 08	0	●●●●●●●○○○○○ 09	0
Brazil	●●●○○○○○○○○○ 06	+1	●●●●●○○○○○○○ 08	+1
India*	●●●○○○○○○○○○ 05	N/A	●●●○○○○○○○○○ 03	N/A
Japan*	●●○○○○○○○○○○○ 02	N/A	●○○○○○○○○○○○ 01	N/A

* The numbers for Denmark, India and Japan reflect the situation in 2011, and for China 2012 | Source: Company websites, McKinsey analysis

A woman with dark curly hair, wearing a dark blue sleeveless dress, stands in an office environment with large windows and metal frames in the background. The image is partially obscured by a white torn-edge graphic on the right side.

As indicated in a survey by McKinsey, women rate their organizational inclusiveness lower than their male colleagues on the openness and equality dimension:

- ① 18 percent fewer women are comfortable sharing opinions or ideas that challenge the status quo in their organization (75 percent of women as compared to 93 percent of men).
- ② 23 percent fewer women feel people of different backgrounds have an equal chance of being promoted (66 percent of women as compared to 89 percent of men).

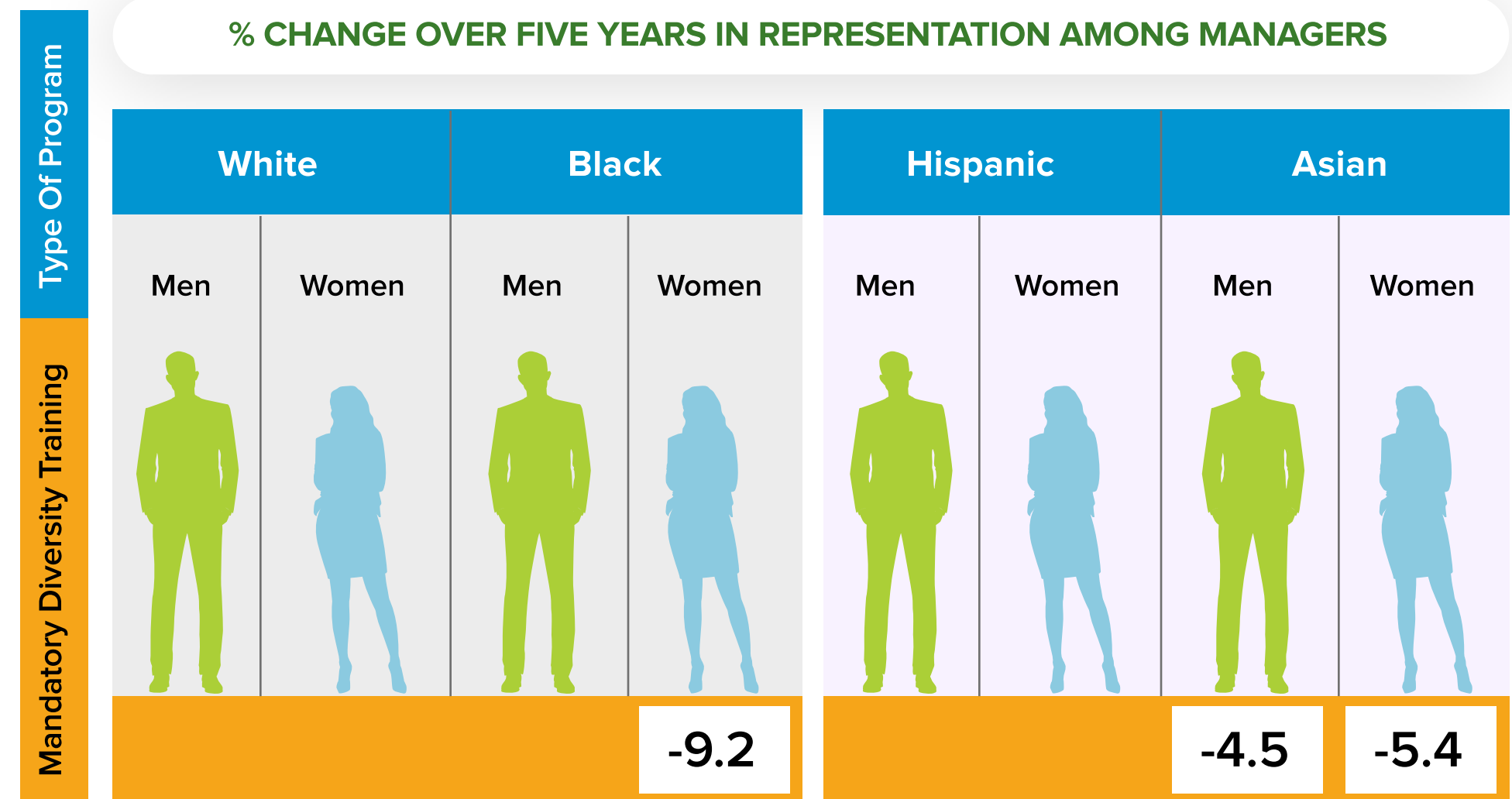
According to the **McKinsey report**, the prevailing leadership styles are not conducive for women who are seeking roles in top management. In the Women Matter 2013 survey, close to 40 percent of female respondents believe that women's leadership and communication styles are incompatible with the prevailing styles in the top management of their companies. 30 percent of male respondents were of the same view that the corporate culture of their organization did not foster opportunities for women to be effective in a top-management role. Therefore, the importance of implementing an ecosystem of measures to develop women as leaders cannot be overlooked.

◎ Color And Ethnicity Bias

Research from McKinsey indicates that of 7 million jobs, 39 percent held by black Americans as opposed to 34 percent held by whites are now seeing threats such as reduction in hours or pay, temporary furloughs, or permanent layoffs.

As of September 2020, only 53 percent of the US adult black population was employed, compared with 57 percent of the corresponding white population. And 39 percent of jobs held by black workers are vulnerable as a result of the COVID-19 crisis, compared with 34 percent for white workers. Similarly, 65 percent of US Hispanics and Latinos work in sectors that are suffering the largest decline in GDP during the pandemic, including leisure, hospitality, and retail trade.

The three most popular interventions make firms less diverse, not more, because managers resist strong-arming. For instance, testing job applicants hurts women and minorities—but not because they perform poorly. Hiring managers don't always test everyone (white men often get a pass) and don't interpret results consistently.



Five years after instituting diversity training for managers, studies indicate that organizations saw limited or no improvement in the distribution of white women, black men, and Hispanics in management, and the representation of black women dropped down by 9 percent, on average, while the ranks of Asian-American men and women shrank by 4 percent to 5 percent.

Additionally, it has been demonstrated that the coronavirus global health event has disproportionately impacted women - particularly women of color, who are compelled to exit the workforce to raise and support their families.

Business leaders will, therefore, need to whet their emotional intelligence and other critical skills to lead employees more productively in 2021. With the remote and hybrid working models here to stay, organizations must factor in recalibration of DE&I training to help employees navigate challenging new circumstances and reform work-life balance.

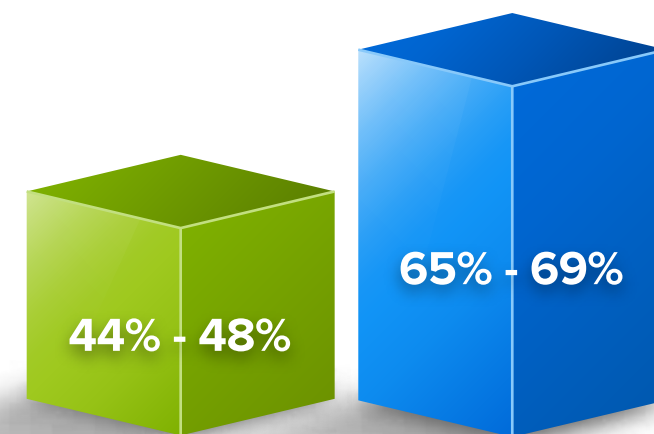


🎯 Manager - Focused Training

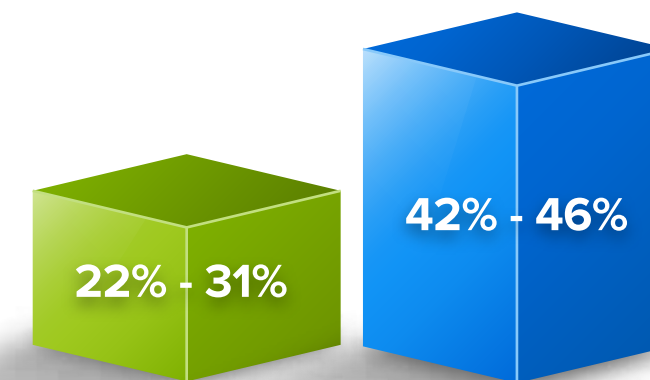
Programs that promote showcasing of one group are largely ineffective. Diversity leaders have revealed that most organizations welcome the concept of special training programs for managers and are seen as high-risk groups prone to lawsuits. Singling out decision-makers and managers for training has proved to be counter-productive, breeds resentment, and reflects poor diversity. Consistent leadership support for employing minorities has to be placed as a priority - with a follow-through plan for inclusivity in key decision making and promotions to executive positions.

Consistent Leadership Support Leads to Less Bias and Fewer Obstacles for Minority Employees

Respondents who agree that "the day-to-day experience is free of bias" (%)



Respondents who don't "see obstacles to diversity and inclusion in recruiting, retention, advancement, and leadership commitment" (%)



■ Executive team committed, but the frontline manager is not | ■ Consistent leadership commitment

Source : BCG Global Diversity Survey P010. | Note : The figures report. in these bar chants show the results tix respondent.. are women, LGBTQ employees, and/or people of col.

As Thomas Wedell-Wedellsborg states in the *Harvard Business Review*, this is exactly why companies are ineffective at identifying the root cause and end up with solutions for the wrong problems - “What they struggle with, it turns out, is not solving problems but figuring out what the problems are. In surveys of 106 C-suite executives who represented 91 private and public-sector companies in 17 countries, I found that a full 85 percent strongly agreed or agreed that their organizations were bad at problem diagnosis, and 87 percent strongly agreed or agreed that this flaw carried significant costs. Fewer than one in 10 said they were unaffected by the issue. The pattern is clear: Spurred by a penchant for action, managers tend to switch quickly into solution mode without checking whether they really understand the problem.”

In present-day, 1 out of 3 employees still conclude that diversity is an impediment to their progression in the organization due to an intrinsic lack of effective two-way communication. Only 22 percent of them say that they are in the know of any measures being undertaken by their organization to drive a more inclusive culture.

The Economist has dubbed ‘diversity fatigue’, wherein a recent article stated that 12 of the most terrifying words in the English language are ***“I’m from Human Resources, and I’m here to organize a diversity workshop”***.

DE&I programs are often introduced as a reactionary measure to a specific issue or incident. And this can come across as inauthentic and eventually lead to diversity fatigue. Damning evidence of organizations indicates that continuing to invest heavily in diversity training to the tune of almost \$8 billion a year has led to misguided approaches. Learnings from the shortfall of DE&I programs pave way for promotion of tactical inclusion initiatives – that must be ideally disconnected from the broader and well-funded general training programs.

Solution

Diversity and Inclusion is a learned behavior and should be all about providing opportunity – specifically the opportunity for growth with equity. A comprehensive root-cause analysis strategy that focuses on learning behavioral and critical skills must be incorporated to nurture collaboration and inclusion. With most organizations viewing generic engagement programs as a catch-all solution, it is time to acknowledge that they should not be viewed as a quick fix to address core problems in the organization. DE&I acceptance is a specific set of critical skills that demand coaching.

Peer Coaching

MAX

CRITICAL
SKILLS

Coaching and peer coaching are two processes that have been used interchangeably. Whilst conventional coaching involves a one-way imparting of information and critical skills, peer coaching is a mutually beneficial, confidential, and structured methodology that helps identify and measure critical skill gaps in the organization. And is thoughtfully executed through skill programs and guided processes with a two-way approach - where internal coaches are empowered to develop leadership skills and learners are equipped to expand their connected network.



Peer Coaching helps design tangible benchmarks for success and quantified impact across your learning and development budgets.

Peer coaching is known to mitigate the negative impact of the ubiquitous learning and development programs. We recommend adopting a comprehensive Peer Coaching framework that targets behavioral change through effective skill exchange and addresses all the DE&I goals in your organization.

Organizations that leverage a facilitated coaching process in varied formats across the board are noted to being more successful at navigating change as compared to their competitors.

Essentially, Peer Coaching must be viewed as the crux of any successful effort in creating a more diverse, equitable, and inclusive organization.

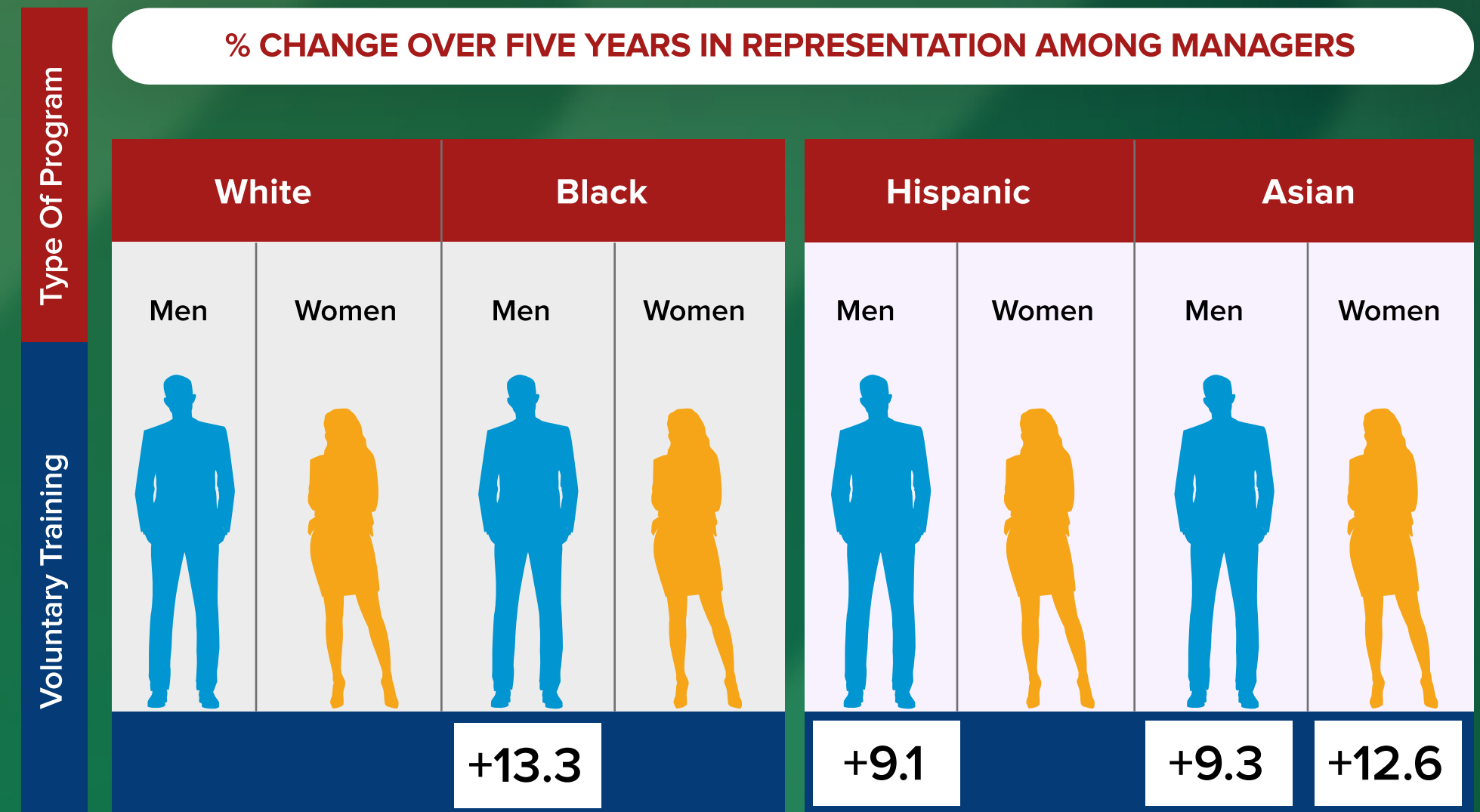
We present conceivable solutions that target problem areas discussed in the previous sections.

◎ Tackling Unconscious Bias

Multiple organizations are striving to make diversity training opportunities available to employees on a voluntary basis instead of requesting mandatory employee participation. Voluntary training for the workforce is said to elicit a contrasting response when it comes to bias in terms of how pro-diversity they are perceived to be. An increase of 9 percent to 13 percent in black men, Hispanic men, and Asian-American men and women in top management roles (with no visible decline in white or black women) is reported.

However, the profits of voluntary training are said to be highly dependent on the 'right' people volunteering based on their self-assessed needs (Guthrie & Schwoerer, 1994).

Idealistically speaking, a voluntary training program would appeal to those demographic groups who discern their need for skill development for systemic organizational change and valued outcomes.



Whilst high-skill employees may leverage voluntary training opportunities to develop and retain diversity skills, the downside to this style of training leads to the elimination of employees with low skill competencies. Subsequently, the overall diversity climate is impacted by a two-tier workforce - where some employees exhibit extremely high competency levels in contrast to a low competency tier. However, individuals with high competency levels will evolve into diversity champions in the organizations and act as role models for other organizational members (Cross, 2000) and the low skill employees fail to evaluate competence in the diversity domain – either their own or anyone else's (Kruger & Dunning, 1999). Therefore, they grow into accepting their diversity 'errors' and become incapable of providing effective coaching to peers or subordinates with respect to diversity.

◎ Tackling Gender Bias

Diversity programs must be designed to create extreme gender bias awareness in men.

40 million

A report by McKinsey highlighted the approaching shortage of highly skilled workers which is expected to reach 40 million by 2030. An equal employment rate for women would close almost all the gap.

The positive aspect is that a huge majority of men (74 percent) as opposed to women consent to the fact that diverse leadership teams with a significant representation of women can generate better organizational performance and close the gaps.

However, the lack of awareness persists amongst one-third of men as being unresponsive to the challenges faced by women in leadership. And about 28 percent do not agree with the fact that despite possessing equal skills and qualifications, women are more prone to hurdles when it comes to top management roles. Elevating awareness in men is paramount in terms of their acceptance of gender diversity being fair.

The awareness is generated only with evolving behaviors and beliefs where unconscious biases can be eliminated. And the natural tendency of men to recruit and promote other men is largely addressed by creating a culture of inclusion for women - where they can be more systematically and actively included in succession plans. However, this awareness can be augmented with Women leadership development programs for generic equity where they are equipped with the right mindset and critical skills to build conviction.



◎ Tackling Racial Bias

Racial and ethnic discrimination stems from well-informed individuals who underestimate the impact of their actions and outcomes thereof. They eventually negate diversity initiatives that are perceived as the problem. A shift in mindset is needed to understand that piecemeal training rolled out only to fix employees who are racially intolerant is toxic to organizational culture.

It is the onus of leaders and managers to raise awareness and empathy through psychologically protected listening experiences. Listening sessions supplemented by education and experiences that provide historical and scientific evidence of the existence of racism. Empathy, therefore, is vital for making headway toward generic equity.

Some peer coaching models accommodate the personal values of individual employees, address empathic outrage, and implement measures to promote equity in the workplace. Promoting institutional diversity policies sans buy-in from employees is likely to produce a kickback. Similarly, focusing just on transforming behavioral attitudes without establishing institutional policies with no accountability for actions may not generate behavioral change. A solid anti-racist organizational culture stitched to core values and modeled by behavioral changes from the top levels and guided by peer coaching can augment both individual attitudes and institutional policies.



◎ Tackling Manager-Focused Training

Typically, a diverse organization invests in both the current and future leaders - HR leaders should recalibrate Peer Coaching opportunities to customize different levels of organizational leadership to foster attitudes that support DE&I. Effective peer coaching strategies can empower self-reflective employees to contemplate new perspectives that are determined by attitudinal stereotypes.

However, Peer Coaching and self-reflection are of great advantage for leaders to introspect both types of biases - personal biases as well as general biases that can hinder inclusivity implementation efforts in an organization.

To help mitigate bias in decision-making, security leaders should ask and discuss within themselves and their teams if the decision being made is based on a tradition, preference, or requirement. In this way, managers can lead an effort to interrogate business practices and discover implicit factors that lie within them.

Mitigating bias in key decision-making requires answers to fundamental questions such as - is there a pattern of nepotism that has been followed but not discussed? Are some of the key decisions made due to blind adherence to tradition? Reflection and discussion between peers is essential to opening up any possible barriers to advancing an inclusive work culture. Organizations must not only embrace the uniqueness that employees bring to the forefront but also examine the perspectives and voices that have not had a voice. Inclusive work cultures empower employees with opportunities and the space to present contradicting views or to question deep-rooted mindsets without a threat to their sense of relevance.

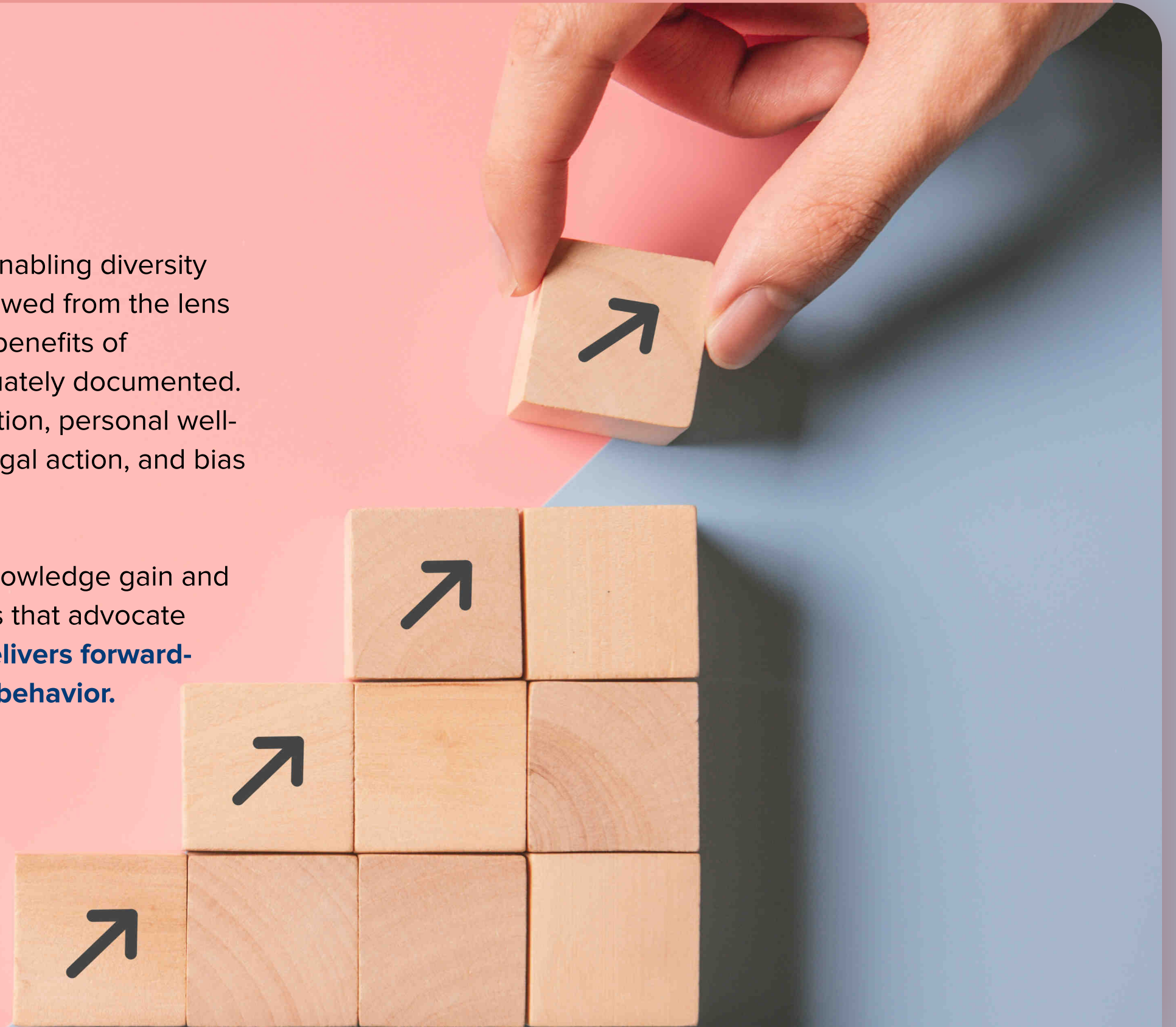
Furthermore, inclusive companies advocate Peer Coaching – by breaking hierarchical barriers and enabling their teams with cultural or other generic differences to collaborate on projects that proliferate cross-cultural competence.

Business Benefits

Successful Peer Coaching initiatives are effective methods of enabling diversity and inclusion – all diversity and inclusion programs must be viewed from the lens of organizational mission and long-term values. The long-term benefits of embracing coaching for diversity and inclusion has been adequately documented. Most organizations have reported a positive influence on retention, personal well-being, and innovation with a decline in interpersonal conflict, legal action, and bias at large.

Comprehensive diversity and inclusion coaching transcends knowledge gain and seeks to positively shape, behaviors, attitudes, and critical skills that advocate inclusion. **Both external and internal intervention coaching delivers forward-thinking inclusion tools that primarily combat discriminatory behavior.**

Outspoken support from senior leadership and management in terms of assessment of needs, backed by integrated peer coaching ecosystems for employees eliminates barriers to diversity, inclusion, and belonging.



Additionally, comprehending the distinction between deep diversity and surface-level diversity is crucial for impact in employee productivity. Surface-level diversity was found to have a low-level impact, with deep diversity having the most impact – given that the generic pattern of people is to gravitate towards those who share similar behavioral traits.

Organizations that foster sustainable DE&I practices are known to achieve up to a 20 percent increase in organizational inclusion and greater inclusion, leading to elevated employee engagement. Key benefits of an inclusive workforce include a 6.2 percent increase in on-the-job efforts, a 5 percent increase in employee retention, and a nearly 3 percent increase in individual employee productivity.

Tokenism is an outcome of poor hiring procedures due to the lack of attracting, engaging, and mentoring top talent to deliver the right employee experience. Recalibrating hiring procedures to ensure a diverse workforce is critical but enabling employees with space for growth is equally vital.



Conclusion

Adequate research statistics in this paper have shown that consistent and personalized Peer Coaching can break hierarchical barriers and ensure a continual commitment toward creating a culture of diversity and inclusion to boost organizational success. Especially from an employer branding standpoint, a solid DE&I strategy can generate deep insight into the inadequacies of critical skills within your current model. Acknowledging gaps by providing a better representation of your employees' views and voices is the very foundation for your organizational DE&I policies.

Listening from an inclusivity point of view is a culture in itself. It needs to be integrated with tools to boost employee engagement through surveys, roundtables, diverse interview panels, and most importantly, conscious adoption of more inclusive language. Leveraging the power of inclusion with a diverse team of employees begins with winning your employees for delivering breakthrough results for the organization. And instituting equity-centric policies with solid employee representation and ever-evolving, adaptable DE&I programs are known to combat technological obsolescence.

When thinking about your DE&I training, the quote - **'it is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change.'** presents the way forward.

